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Ania

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01 INSURANCE: FUNDAMENTAL TOOL FOR THE PROTECTION OF HOUSEHOLDS AND UNDERTAKINGS



The main target of all insurance covers is to help individuals and undertakings to recover when an unpredictable event affects the assets, properties or life of an individual. Uncertainty does not concern only the fact that a damage may occur, it also concerns the time in which such damage will manifest and to be unknown is, above all, the extent of the loss which, in most cases, will go beyond any saving or wealth that a person may have accumulated. This is the reason why insurance is an essential component of the financial planning of households or companies: it allows to mitigate losses, to promote financial stability and commercial activities, which in turn translate into economic growth and development. Therefore, insurance plays a crucial role in the sustainable growth of an economy. **To compensate for expenses incurred after an accident, the death of a loved one, or a disability, insurance companies transfer on average around 120 billion euros to their policyholders each year or, in perhaps more intuitive and understandable terms, more than 320 million euros per day.**



MORNING

MOTOR THIRD PARTY LIABILITY
n. of events reported
per day
6,000
compensated amounts
per day
€ 29,500,000

PERSONAL ACCIDENTS
n. of events reported
per day
900
compensated amounts per
day **€ 3,600,000**

GENERAL LIABILITY
n. of events reported
per day
850
compensated amounts
per day
€ 5,000,000

**MOTOR ACCESSORY GUARANTEE
(FIRE, THEFT AND KASKO)**
n. of events reported per day
2,700
compensated amounts per day
€ 3,500,000

HERE ARE SOME EXAMPLES
OF THE INTERVENTIONS
AND COMPENSATIONS
THAT ARE CARRIED OUT
BY INSURANCE COMPANIES
IN ONE DAY OF ACTIVITY



EVENING



FIRE

n. of events reported
per day
600
compensated amounts
per day
€ 4,800,000

HEALTH

n. of events reported
per day
16,000
compensated amounts
per day
€ 4,700,000

LIFE INSURANCE

n. of events reported
per day
14,700
compensated amounts
per day
• surrenders
€ 125,000,000
• capitals and annuities
€ 50,000,000
• death/disability
€ 27,000,000

GOODS IN TRANSIT

n. of events reported per day
80
compensated amounts per day
€ 270,000

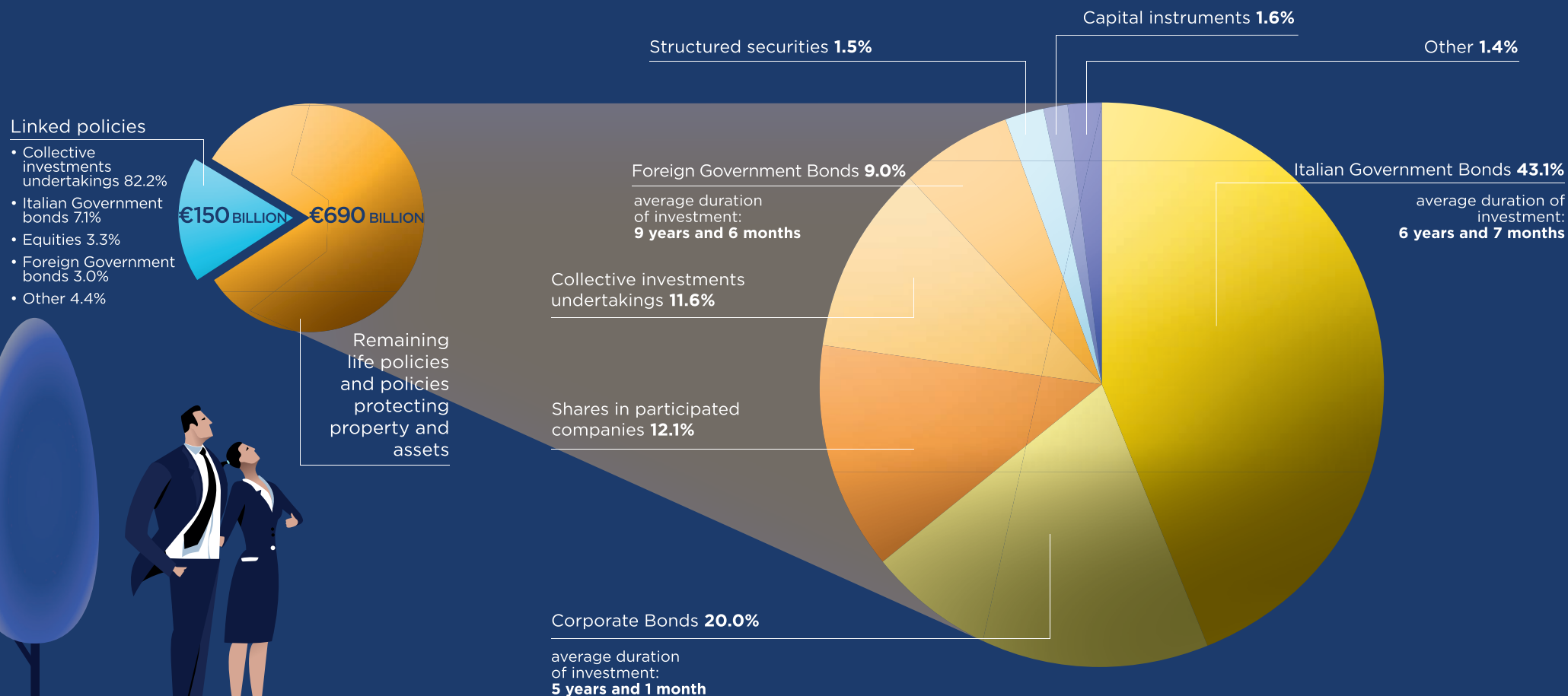
HAIL

n. of events reported per day
1,000
compensated amounts per day
€ 1,000,000

02 INSURANCE INVESTMENTS ARE A SUPPORT FOR THE STATE AND A DRIVER FOR THE REAL ECONOMY

INSURERS' INVESTMENTS IN OUR COUNTRY AMOUNT TO OVER 840 BILLION, THAT IS, ALMOST 50% OF GDP

INSURANCE INVESTMENTS IN 2018

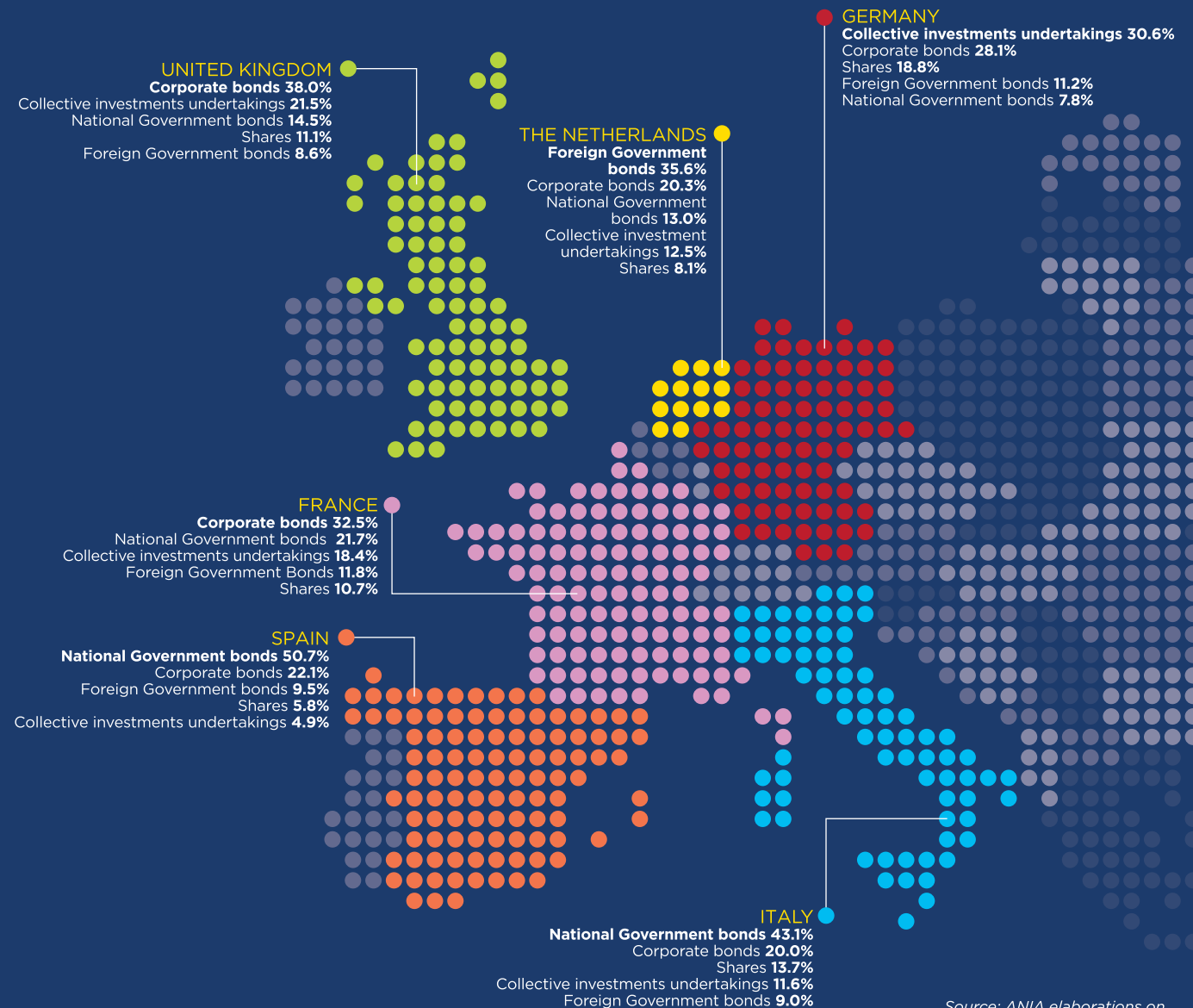


COMPARISON BETWEEN THE DIFFERENT TYPES OF INSURANCE INVESTMENTS IN EUROPE (EXCEPT LINKED POLICIES) 02

As a result of the prudential and long-term investments that must be made by insurance companies to guarantee savings entrusted to them, insurance companies convey a significant part of these resources by purchasing Government bonds, mainly Italian; the insurance sector thus supports public debt even in times of severe crisis and during the acute phases of turbulence in the financial markets.

In 2018 investments made by Italian insurance companies in Government bonds amounted to **360 billion**, about 300 billion of which refer to Italian sovereign debt. The incidence of this type of investment is far higher **in Italy, where it equals to 52%**, than it is on average **in Europe (32%)**.

Moreover, as a consequence of a new regulatory framework that fosters innovative investments, the insurance industry is increasing the share of resources destined both to support the real economy (with the financing of non-financial companies) and to support infrastructure projects, with the aim of promoting a sustainable development of the economy.



Source: ANIA elaborations on EIOPA data, 4th quarter 2018

03 LIFE INSURANCE

Life insurance plays a dual role: on the one hand, it represents an alternative saving tool through which families invest their savings and accumulate capital and, on the other hand, it constitutes a real umbrella of protection against adverse financial consequences resulting from events connected with human life, such as interrupting income streams due to the premature death of a family member or to the survival beyond one's financial means.

Insurance companies offer multiple life insurance products that respond to different savings or security issues and that are often related to the different stages of an individual's active life: for example, at the beginning of a career it is easier to accept a higher volatility in exchange for higher yields in average, and also, with the growth of the family, it is preferable to opt for products with a higher guaranteed yield, accepting lower interest rates.

TERM LIFE INSURANCE

Fiscal benefits: premiums are deductible for 19% up to a limit of 530 euros. In the event of death of the insured, the benefits provided are exempt from the inheritance tax.

Possibility of terminating the contract early : NO

Guaranteed yield: NO



LONG TERM CARE INSURANCE

Fiscal benefits: premiums are deductible for 19% up to a limit of 1,291 euros. The benefits paid do not constitute taxable income.

Possibility of terminating the contract early: NO

Guaranteed yield: YES



INDIVIDUAL PENSION SCHEMES

Fiscal benefits: premiums paid reduce taxable income in the limit of 5,164 euros. The benefits paid are taxed at a favorable rate of 15%.

Possibility of terminating the contract early: YES, only for certain particular cases (unemployment, permanent disability, loss of participation requirements, etc.).

Guaranteed yield: there may be a guaranteed yield.



UNIT-LINKED POLICIES

Fiscal benefits: in the event of death of the insured, the benefits paid are exempt from the inheritance tax.

Possibility of terminating the contract early: YES

Guaranteed yield: NO

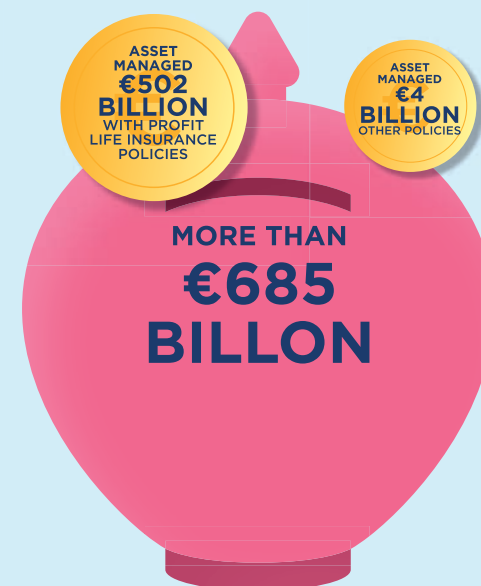


WITH PROFIT LIFE INSURANCE POLICIES

Fiscal benefits: in the event of death of the insured, the benefits paid are exempt from the inheritance tax.

Possibility of terminating the contract early: YES

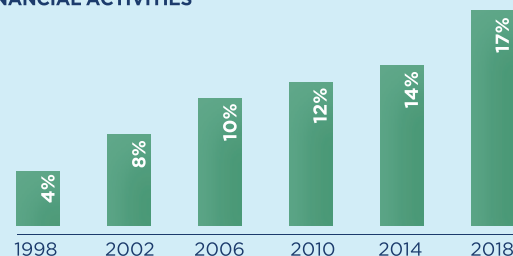
Guaranteed yield: YES, a guaranteed yield is expected, recognized year by year or at termination of the contract.



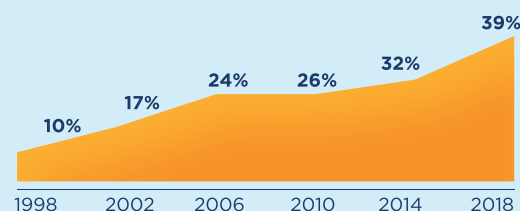
DIFFUSION OF LIFE INSURANCE: A EUROPEAN COMPARISON 03

The weight of life insurance in Italy continues to grow, even though there is ample room for further development if compared to Europe. **In 2018 life insurance companies in Italy managed savings of nearly 700 billion and these represented 17% of household financial assets** (14.0% is the average of the European countries highlighted); in relation to GDP there was an incidence of around 40% (54% in the European average). In particular, the field of supplementary pension plans should be more developed and encouraged in Italy, adhesion could be boosted by clearly informing citizens about their public pension expectancy and by rendering the supplementary system more open and flexible.

INCIDENCE OF HOUSEHOLD SAVINGS MANAGED BY LIFE INSURANCE ON THE TOTAL OF ITALIAN HOUSEHOLDS' FINANCIAL ACTIVITIES



INCIDENCE OF HOUSEHOLD SAVINGS MANAGED BY LIFE INSURANCE / GDP



UNITED KINGDOM
Household savings managed by life insurance €1,956 billion

Household life insurance savings/GDP **82%**
Household life insurance savings/households financial activities **9.8%**

THE NETHERLANDS
Household savings managed by life insurance €354 billion

Household life insurance savings/GDP **46%**
Household life insurance savings/households financial activities **6.2%**

GERMANY

Household savings managed by life insurance €1,329 billion

Household life insurance savings/GDP **39%**
Household life insurance savings/households financial activities **16.2%**

FRANCE

Household savings managed by life insurance €1,911 billion

Household life insurance savings/GDP **81%**
Household life insurance savings/households financial activities **35.5%**

SPAIN

Household savings managed by life insurance €189 billion

Household life insurance savings/GDP **16%**
Household life insurance savings/households financial activities **7.5%**

AVERAGE OF THE EU COUNTRIES ANALYZED

Household life insurance savings/GDP **54%**
Household life insurance savings/households financial activities **14.0%**

ITALY

Household savings managed by life insurance € 685 billion

Household life insurance savings/GDP **39%**
Household life insurance savings/households financial activities **17.0%**

Source: ANIA elaborations on OECD, EIOPA and Bank of Italy data

04 INSURANCE PROTECTING PROPERTIES AND CAPITALS

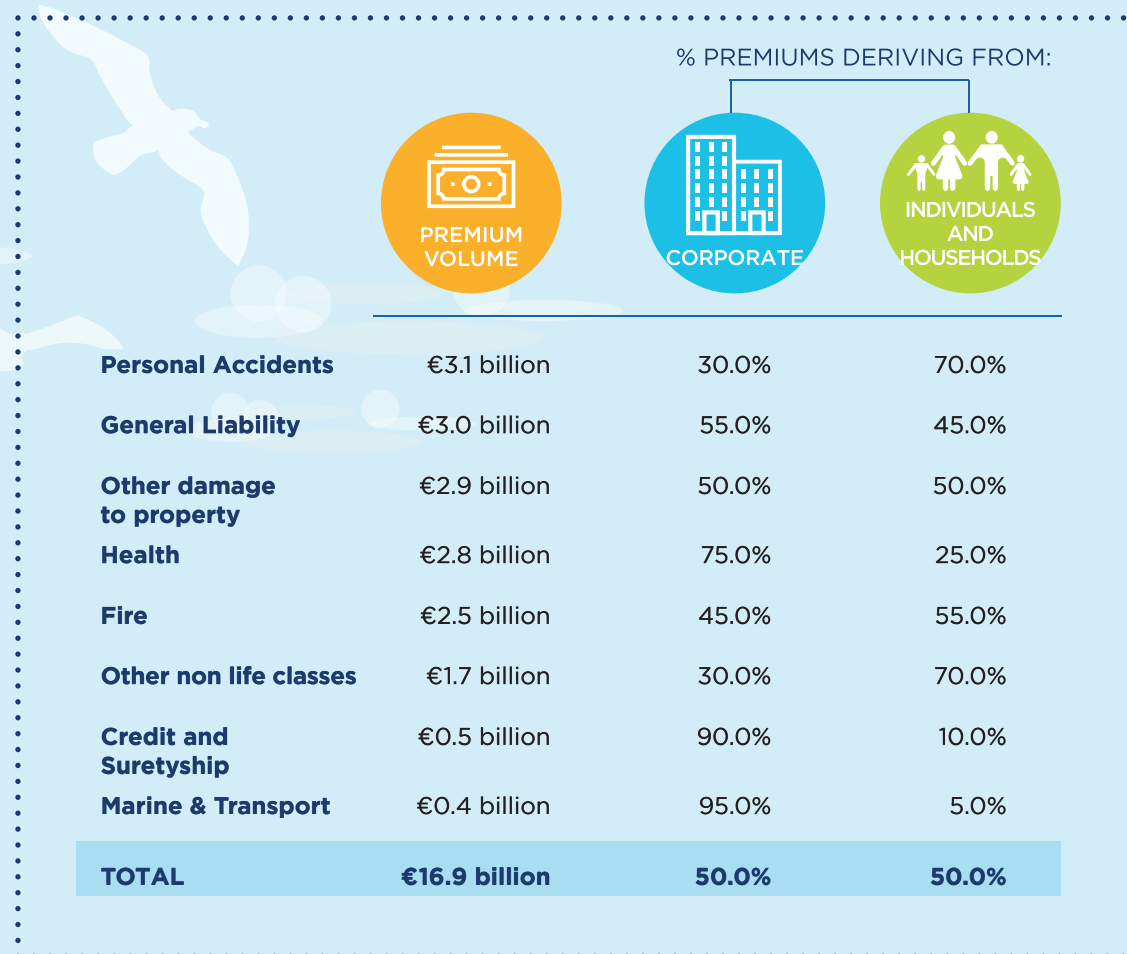
The fundamental aim of insurance protecting properties and capitals is to preserve companies and households against unpredictable events with financial implications that could be significant to the point of leading to the interruption of a company's productive activity or to put a family in a situation of serious economic hardship. **In this sector, it is estimated that in Italy half of the total premium income comes from insurance coverage for corporate and commercial customers while the other half from coverage for individuals and households.**

There are many forms of guarantees offered by insurance companies to their customers.

Insurance to protect properties or capitals: it guarantees the compensation for damage that affects a fixed property or set of properties. This includes, for example, fire insurance (for the home, or for a company), theft insurance (for assets in private homes or in commercial or public activities), insurance to protect properties against unpredictable events (damage to machinery and industrial plants) or against natural events (such as hail and natural disasters);

Personal insurance: it guarantees compensation for damage to the person resulting from physical injury (accident) or illness, which causes death, permanent disability or temporary disability;

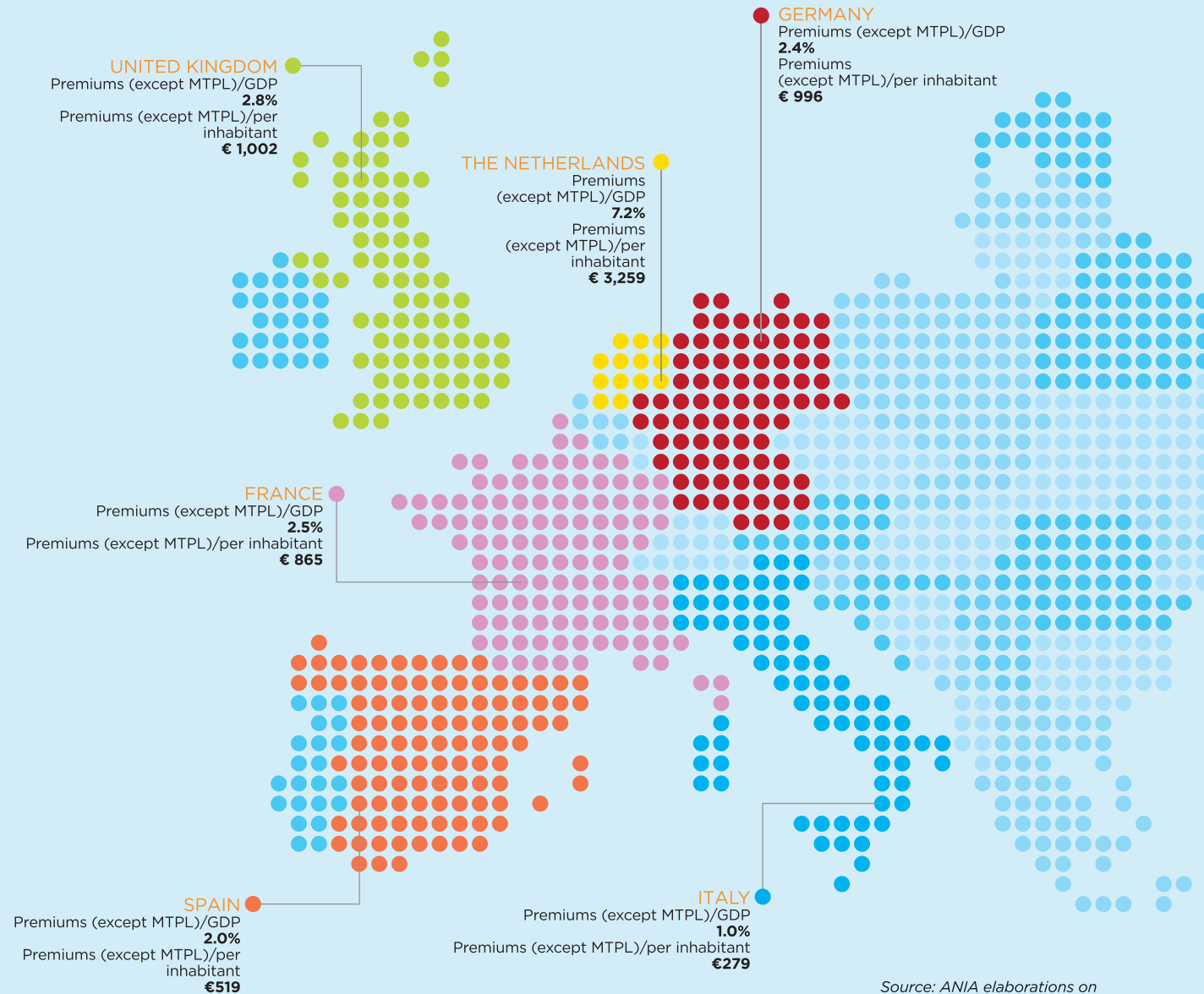
Insurance on capitals: the insured protects himself against the risk of occurrence of a debt for damages unintentionally caused to third parties. The evolution of economic life gives constantly rise to new types of liability, which in turn give life to the need for previously unknown coverings, just think of the responsibilities of hospitals, building manufacturers, producers, company directors and officers.



DIFFUSION OF POLICIES PROTECTING PROPERTIES AND CAPITALS: A EUROPEAN COMPARISON 04

In the field of insurance for the protection of properties, health and capitals (except motor insurance), in Italy there is a clear insurance cover gap compared to the other main European countries: the incidence of premiums (except MTPL) on GDP in Italy is equal to 1.0% compared to a European average of 2.6% and the average premium per inhabitant in our country is about one third of that of the countries analyzed.

The lower diffusion of insurance coverage is an element of weakness for the entire country. In this context it is necessary to implement an integrated system between public and private that allows a more equitable and efficient management of the various types of risk, in particular for insurance covers against the risks of labor, health, capitals, natural disasters.

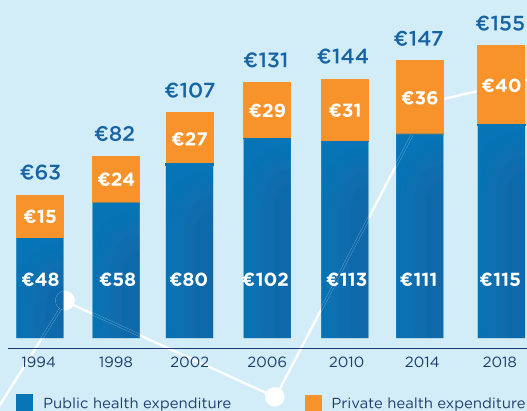


Source: ANIA elaborations on Insurance Europe and Eurostat data

05 PROTECTION GAP IN THE FIELD OF HEALTH INSURANCE

One of the most significant items of cost in the Italian Government budget derives from **health expenditure which in 2018 in Italy reached 115 billion (6.5% of GDP)** and whose cost is destined to increase (it was about 5% of the GDP twenty years ago), mainly due to the aging of the population and the increase in chronic degenerative diseases. In this context, the health expenditure that individuals and families support privately grows constantly and now amounts to 40 billion. The lack of insurance cover for medical care is evident if you think that just 7% of these private costs are attributable to insurance and 3% to funds and private healthcare. **The remaining part, 36 billion (about 90%), is paid each year by Italian households out of their own pockets** and this makes them more fragile and exposed to unexpected disbursements which, in some cases, become unsustainable.

THE EVOLUTION OF HEALTH EXPENDITURE IN ITALY



HOW IS PRIVATE HEALTH EXPENDITURE FINANCED IN ITALY

"Out of pocket" expenditure **89.5%**

Corporate funds **1.7%**

Health funds **1.5%**

Private Insurance **7.3%**



HEALTH EXPENDITURE: A EUROPEAN COMPARISON 05

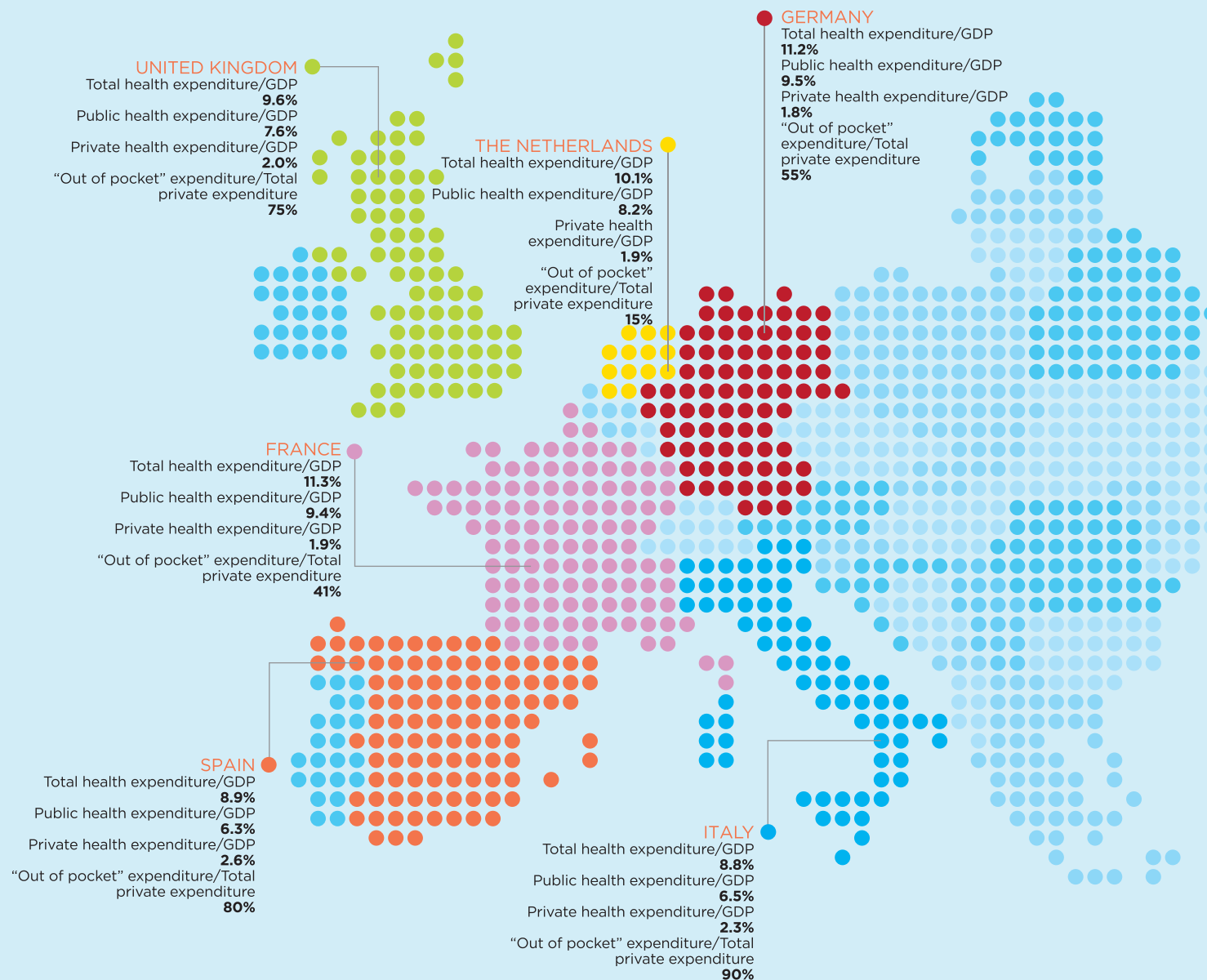
In the European comparison, Italy appears to be the country with the highest incidence of **families using their savings** (90% compared to an average of 56%) **to cope with medical care and expenses**.

This aspect is socially unjust, because it forces people to choose between paying (when they are in a position to do so) or, more serious still, renouncing to medical treatments when they are more fragile.

It would be fruitful to study a new welfare model that best combines public and private resources, with a broader role assigned to complementary health care which, **based on a mutuality principle**, typical of insurance, would ensure greater equality for citizens and higher levels of protection for patients.

AVERAGE OF THE EU COUNTRIES ANALYZED

Total health expenditure/GDP **9.8%**
Public health expenditure/GDP **7.9%**
Private health expenditure/GDP **1.9%**
"Out of pocket" expenditure/Total private expenditure **56%**

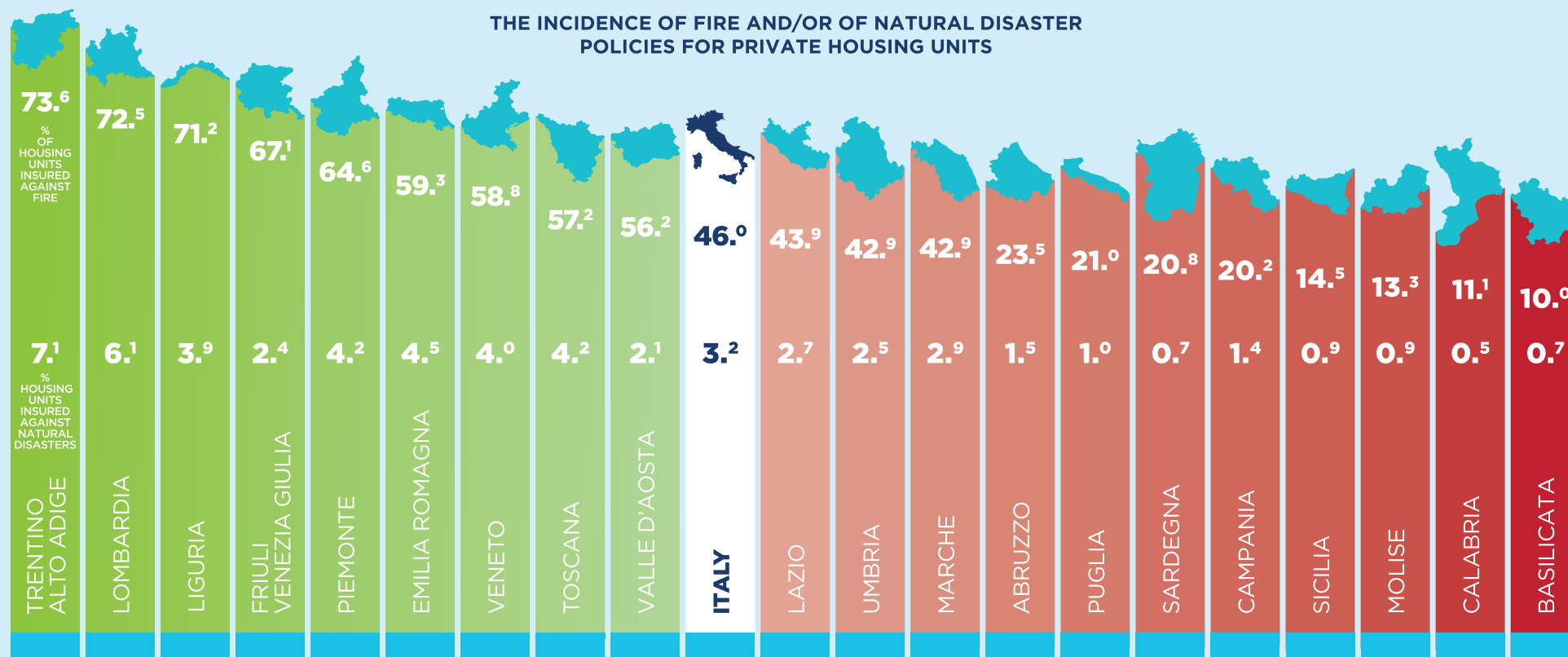


06 PROTECTION GAP IN THE FIELD OF PRIVATE HOME INSURANCE

Home is the most important property for Italians, as evidenced by the fact that 80% of families have one. For most families, housing represents the most important form of investment of accumulated wealth throughout life. Yet, **only 46% of housing units are covered by a fire insurance policy and**, almost in one case out of five, these insurance covers are linked to the mortgage used to purchase them. The lack of insurance guarantees is even more pronounced in some regions of southern Italy, where the percentage of insurance covers falls dramatically between 10% and 20%.

Moreover, it must be considered that, although almost 80% of homes are exposed to a significant risk of various natural disasters, **only 3% of them are protected by a policy against these events**. It is still a very limited value but it has grown over the last two years (it was practically zero just ten years ago), also thanks to the measure that, starting from 2018, provides tax exemptions on insurance premiums against natural disasters and **a 19% deduction on these premiums for the Income Tax**.

The level of insurance cover improves significantly for our production system: **almost 90% of commercial companies in fact are insured against the risk of fire and around 15% is also protected by at least one of these risks, earthquake or flooding**.



NATURAL DISASTERS: AN INTERNATIONAL COMPARISON 06


In other main countries, similar to ours for exposure to the risk of natural disasters, regulated catastrophe risk management systems are in force, in some cases have been for decades (for example in France, Spain, the United States, Japan and many other countries). Beyond the differences linked to the individual national specificities, these systems have in common the joint participation of the private insurance sector and, for various reasons, of the State, and the use of mechanisms that facilitate the **mutualization of risks through the increase in number of policyholders**.

Italy is the only industrialized country and, moreover, with a high exposure to catastrophe risk, **without a regulated mechanism for the management of natural disasters**. Our country has the need and responsibility to implement a structured system for the ex-ante management of these risks. The solution consists in creating a system based on the mutualization of risks and that is able to guarantee reasonable and fixed deadlines for damage compensation, transparency in the procedures, adequate safety standards, appropriate methods of financing reconstruction.

% INCIDENCE OF HOUSING UNITS WITH PRIVATE INSURANCE COVER AGAINST NATURAL DISASTERS AND HOW TO ADHERE TO REGULATED SYSTEMS


PROCEDURES FOR ADHESION

MANDATORY




ICELAND
100%

Mandatory fire insurance




TURKEY
42%

Turkey (1999) and Romania (2007) introduced the mandatory system upon the advice of the “World Bank”




ROMANIA
20%


SEMI-MANDATORY




DENMARK
100%




SPAIN
75%




NORWAY
ca.90%



NEW ZEALAND
95%




FRANCE
95%




BELGIUM
90%


VOLUNTARY




NFIP-USA
18%




CALIFORNIA
12%




CHINA
n.a.



UK
>90%

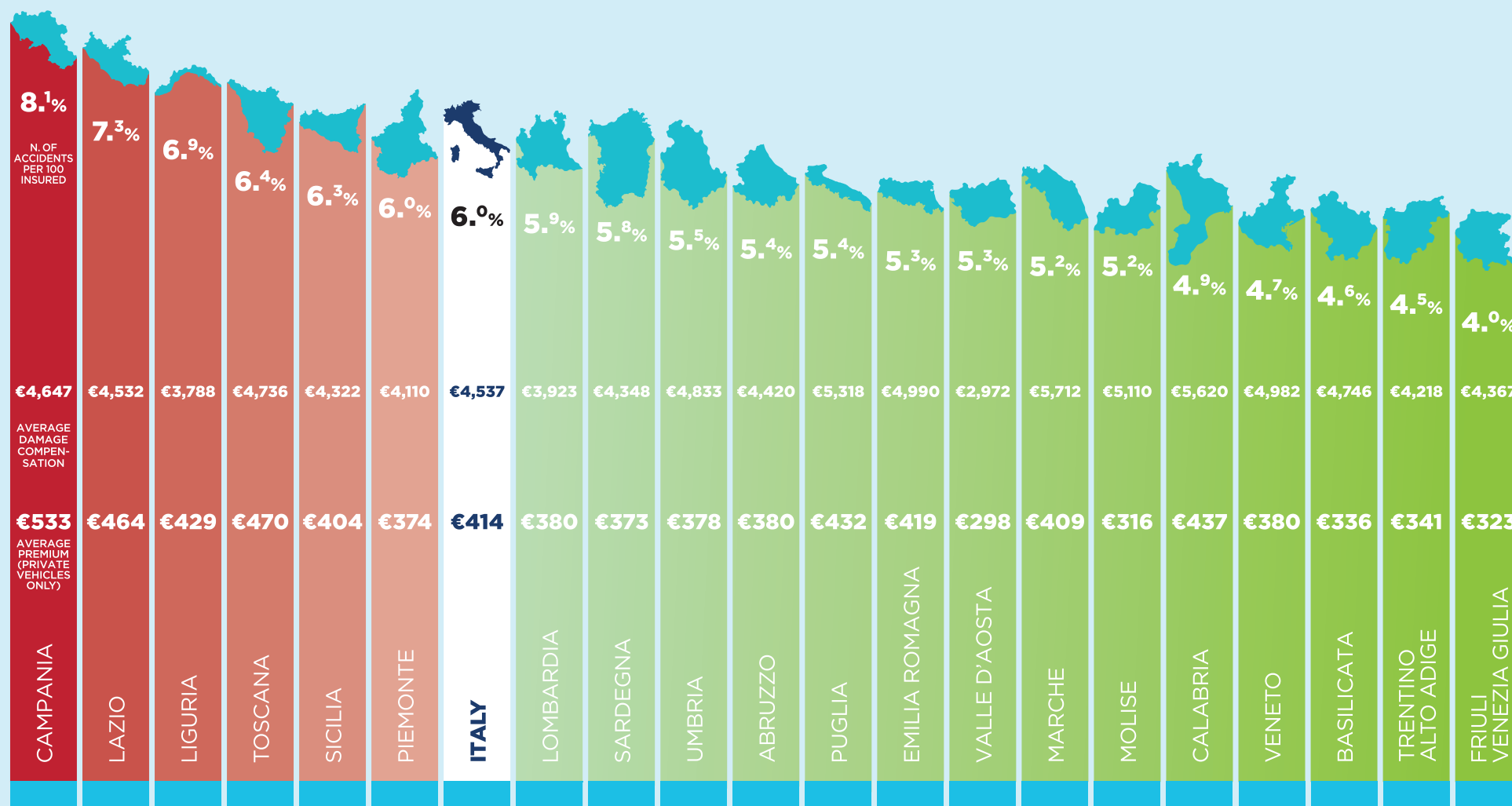


JAPAN
40%



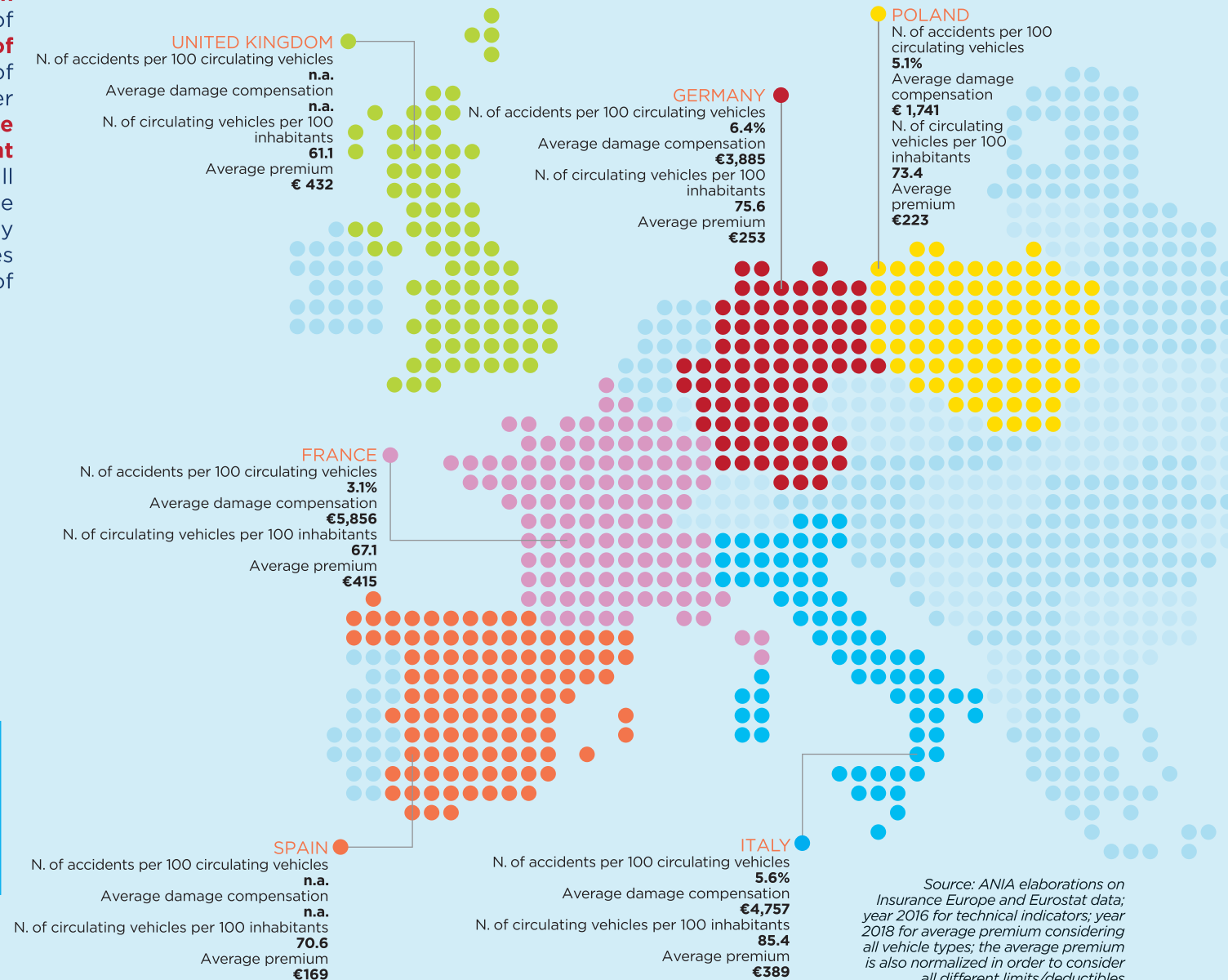
07 COMPULSORY MOTOR THIRD PARTY LIABILITY INSURANCE (MTPL)

Compulsory motor third party liability is the most widespread form of insurance for the protection of damages that may occur when driving a vehicle. There are almost 45 million vehicles circulating in our country and, **against a payment of premiums amounting to 13 billion, insurance companies employ 4 billion to repair damaged vehicles, 5 billion to compensate the damages of individuals who suffer physical injuries (minor and/or serious), 2 billion for family members of fatal accident victims and nearly 3 billion for carrying out their activities.** In our country, road traffic risk varies depending on the territory, both for the average number of accidents that occur and for the relative average compensation; this is why there is a corresponding difference between the average premiums paid by the insured.



MTPL AND ACCIDENT INCIDENCE RATE: A EUROPEAN COMPARISON 07

In a European comparison, our country is on average more risky both in terms of circulation intensity (having the highest number of vehicles per inhabitant) and probability of having an accident (the average number of accidents per 100 insured is the highest after the German one) and also for the average compensation for damage per accident (more expensive than all except France); all these factors contribute to explaining why the average MTPL premium paid in Italy is slightly higher than the average of other countries analyzed but, in any case, lower than that of France and the United Kingdom.



Source: ANIA elaborations on Insurance Europe and Eurostat data; year 2016 for technical indicators; year 2018 for average premium considering all vehicle types; the average premium is also normalized in order to consider all different limits/deductibles between the various countries

08 MOTOR INSURANCE FOR ACCESSORY GUARANTEES

Motor insurance is not exclusively compulsory. There are many guarantees that are purchased on a voluntary basis to protect one's own vehicles in case of theft, fire, damages arising from adverse weather conditions or vandalism, windshield cracks or impact damages (kasko) for which people are liable for. **On average, one car out of three (already insured for the compulsory part) also purchases a voluntary cover.**

MORE THAN 9 MILLION OF PRIVATE VEHICLES ARE VOLUNTARILY INSURED EVERY YEAR AND INSURANCE COMPANIES ON AVERAGE PAY NEARLY 1.5 BILLION EUROS FOR COMPENSATION OF THE FOLLOWING DAMAGES UNDERGONE:



**NUMBER OF
INSUREDS FOR THEFT**
9.0 million



**NUMBER OF
INSUREDS FOR FIRE**
9.0 million



**NUMBER OF
INSUREDS FOR
KASKO AND
IMPACT DAMAGES**
2.3 million



**NUMBER OF INSUREDS
FOR ADVERSE WEATHER
CONDITIONS AND
VANDALISM**
6.3 million



**NUMBER OF INSUREDS
FOR WINDSHIELD CRACKS**
9.4 million

380 MILLION
FOR THEFT

20 MILLION
FOR FIRE

310 MILLION
FOR KASKO AND IMPACT
DAMAGES

570 MILLION
FOR ADVERSE WEATHER
CONDITIONS AND
VANDALISM

220 MILLION
FOR WINDSHIELD
CRACKS

INCIDENCE OF MOTOR INSURANCE FOR 08 ACCESSORY GUARANTEES IN ITALY

The highest incidence recorded, among those who already have a compulsory MTPL insurance and also acquire voluntary coverage to protect their own vehicle against fire, theft or impact damage, is among: owners of new cars (from 0 to 5 years of age), characterized by high power (over 100 Kw) and high speeds (over 200 Km/h). **This highlights the fact that voluntary insurance covers are more in demand by owners of more expensive cars that are, therefore, more exposed to risk.**



% INCIDENCE VEHICLES WITH THEFT INSURANCE COVER ON MTPL INSURED VEHICLES

Age of vehicle

From 0 to 5 years	52%
From 6 to 10 years	33%
Over 10 years	7%
Average	29%

Power of the vehicle (in Kw)

Up to 50 Kw	13%
From 51 to 100 Kw	32%
Over 100 Kw	47%
Average	29%

Max speed of the vehicle (in Km/h)

Up to 150 Km/h	10%
From 150 to 200 Km/h	30%
Over 200 Km/h	43%
Average	29%



% INCIDENCE VEHICLES WITH KASKO AND IMPACT DAMAGE INSURANCE ON MTPL INSURED VEHICLES

Age of vehicle

From 0 to 5 years	14%
From 6 to 10 years	8%
Over 10 years	3%
Average	8%

Power of the vehicle (in Kw)

Up to 50 Kw	4%
From 51 to 100 Kw	8%
Over 100 Kw	14%
Average	8%

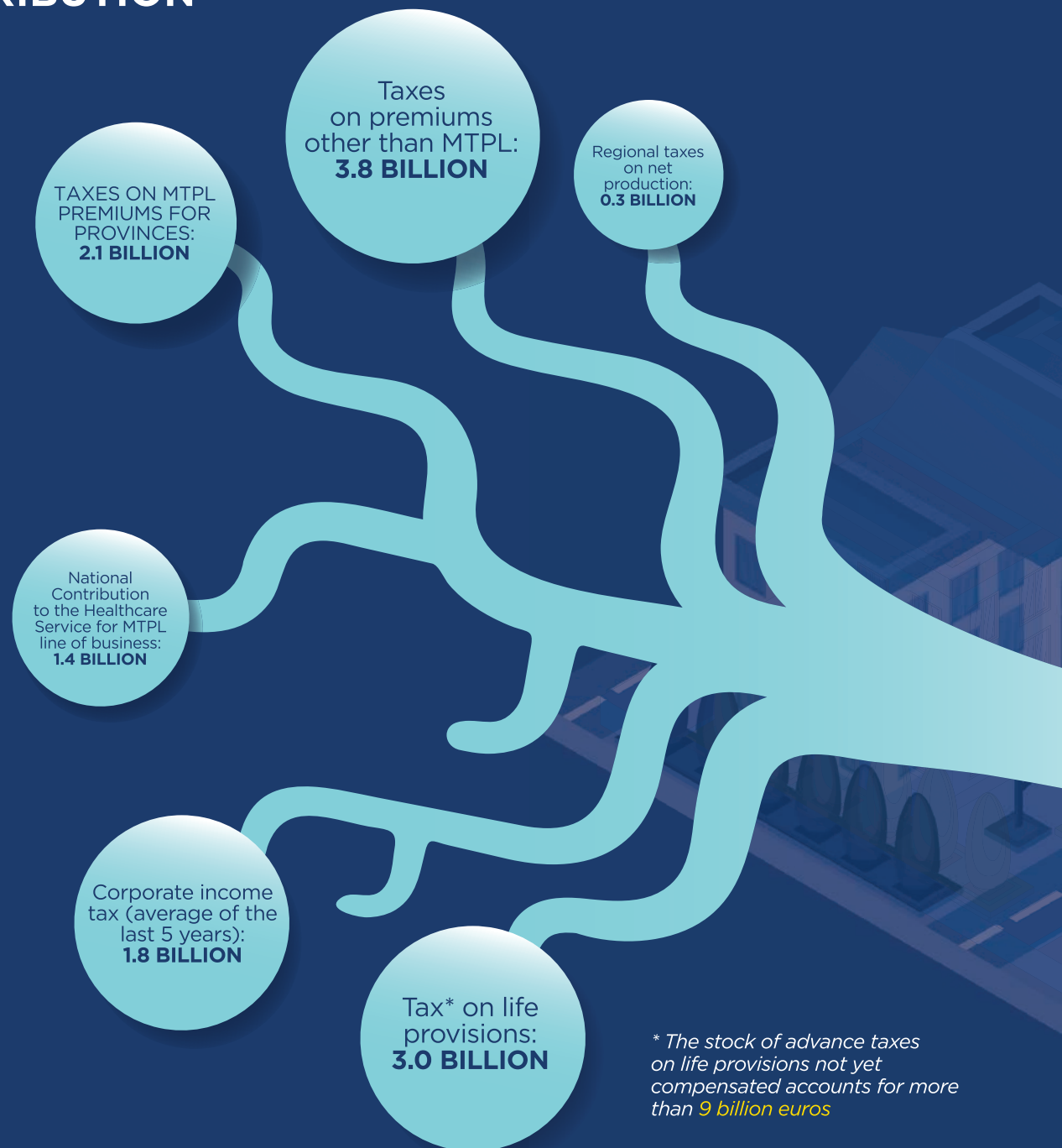
Max speed of the vehicle (in Km/h)

Up to 150 Km/h	4%
From 150 to 200 Km/h	8%
Over 200 Km/h	12%
Average	8%

09 INSURANCE AND ITS CONTRIBUTION TO PUBLIC FINANCE

THE INSURANCE SECTOR IS ONE OF THE MAIN TAXPAYERS OF THE STATE, AS WELL AS TAX WITHHOLDING AGENT FOR THE COLLECTION OF SOME IMPORTANT TAXES

One of the factors that stresses how important the activity of the insurance sector is, is the role it plays as taxpayer and withholding agent on behalf of the Revenue Agency, as is the case for the tax on insurance premiums. On average, insurance companies pay over 12.4 billion euros per year for the State coffers.



* The stock of advance taxes on life provisions not yet compensated accounts for more than 9 billion euros

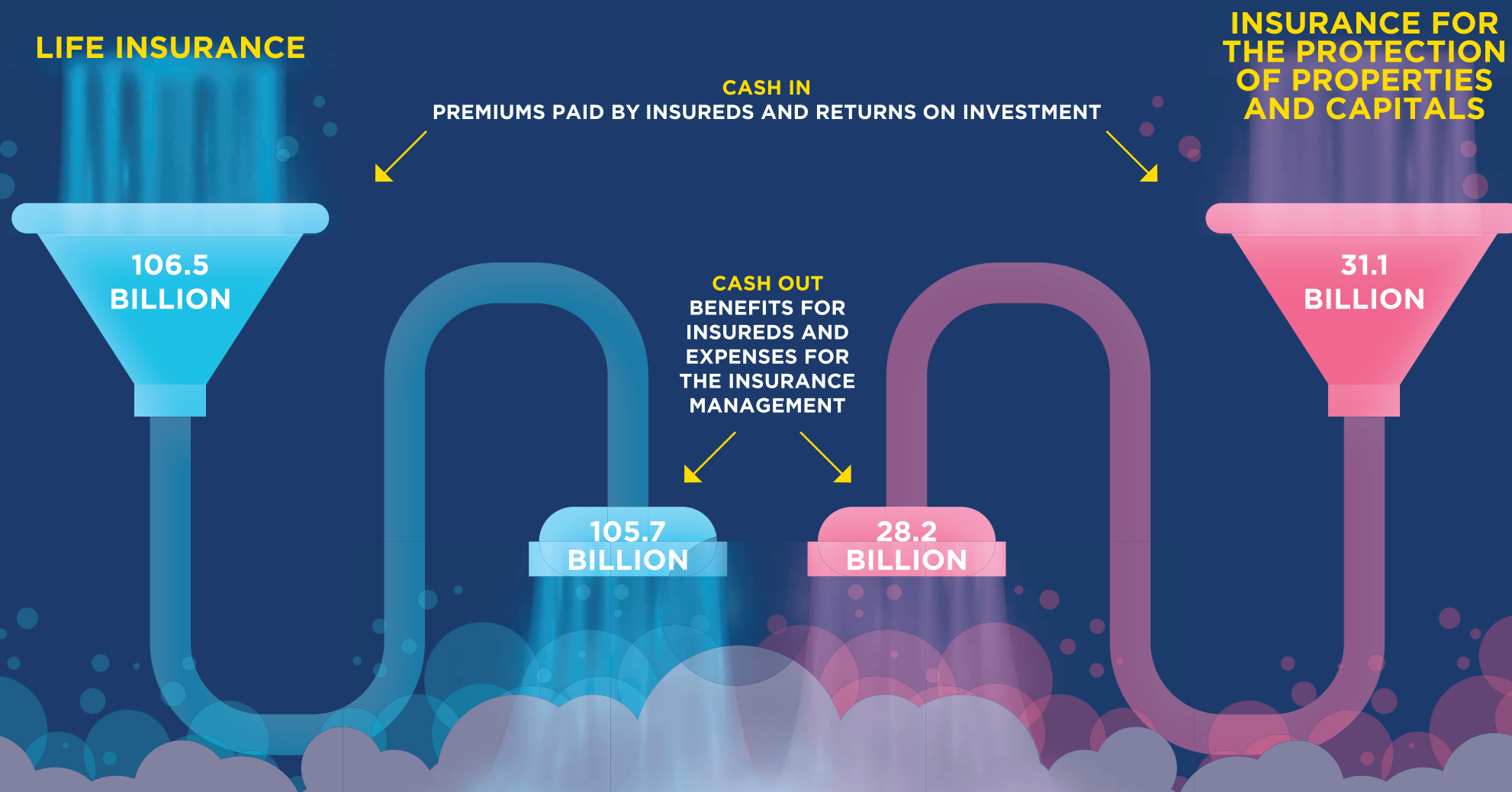


TOTAL TAXES
12.4 BILLION PER YEAR

THE ACTIVITIES OF INSURANCE
COMPANIES GUARANTEE
MONETARY RESOURCES
FOR NEARLY 35 MILLION
EUROS PER DAY

10 THE SOUNDNESS OF THE ITALIAN INSURANCE BUSINESS

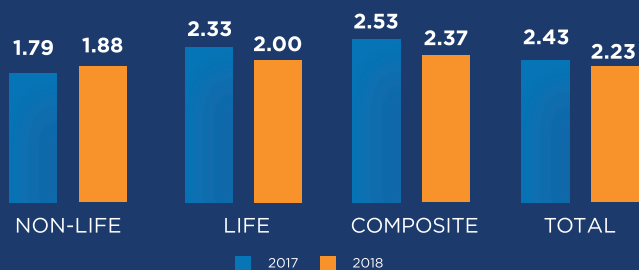
Despite a difficult economic and financial scenario, especially since the serious crisis that began over a decade ago, **Italian insurers managed to maintain satisfactory profitability and excellent capital soundness.** The solvency indicators, three years after the introduction of the new Solvency II regime, remained well above the levels of security, in line with the European average.



SOLVENCY OF THE INSURANCE INDUSTRY: A EUROPEAN COMPARISON

The level of soundness of Italian insurance companies in 2018 registered a slight downfall (from 2.43 to 2.23) mostly in the Life sector, but in a European comparison the solvency ratio of our country is higher than that of the United Kingdom and the Netherlands, and is in line with Spain and France

SOLVENCY RATIO IN ITALY FOR CLASS OF BUSINESS



AVERAGE OF THE EU COUNTRIES ANALYZED

Own funds **€ 1,195 billion**
 Capital requirement established by Supervisor **€ 492 billion**
 Solvency ratio **2.43**

SPAIN
 Own funds **€51 billion**
 Capital requirement established by Supervisor **€21 billion**
 Solvency ratio **2.39**

FRANCE
 Own funds **€318 billion**
 Capital requirement established by Supervisor **€134 billion**
 Solvency ratio **2.37**

THE NETHERLANDS
 Own funds **€62 billion**
 Capital requirement established by Supervisor **€31 billion**
 Solvency ratio **1.96**

UNITED KINGDOM
 Own funds **€ 182 billion**
 Capital requirement established by Supervisor **€ 119 billion**
 Solvency ratio **1.53**

GERMANY
 Own funds **€460 billion**
 Capital requirement established by Supervisor **€132 billion**
 Solvency ratio **3.49**

ITALY
 Own funds **€122 billion**
 Capital requirement established by Supervisor **€54 billion**
 Solvency ratio **2.23**

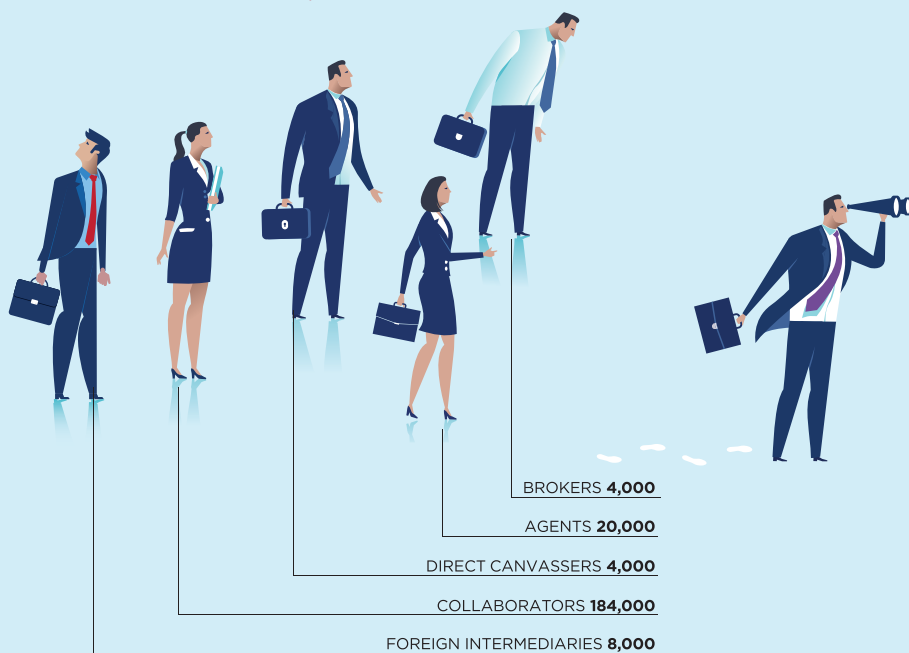
Source: Ania elaborations on EIOPA data, fourth quarter 2018; for Italy, elaborations on annual data.

11 INSURANCE AND THE HUMAN RESOURCES

The insurance sector provides employment to almost 50,000 employees. If we also consider the collaborators, **we employ about 300,000** units, almost 220,000 belonging to the distribution networks. In particular, the human resources working for insurance companies, in almost stable numbers even in the years of serious crisis, are the ones with the highest percentage of open-ended contracts in comparison to all other sectors.

ACTIVITIES RELATED TO THE SALE OF POLICIES

TOTAL HUMAN RESOURCES: 220,000



ACTIVITIES RELATED TO THE ASSESSMENT OF DAMAGE

TOTAL HUMAN RESOURCES: 40,000

INSURANCE ADJUSTERS, CAR REPAIRERS, EMPLOYEES OF COMPANIES FOR ROAD ACCIDENTS, LAWYERS AND DOCTORS

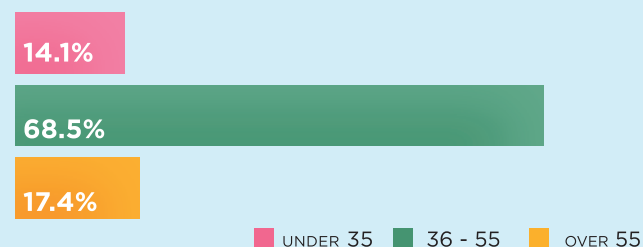
INSURANCE INDUSTRY EMPLOYEES

TOTAL HUMAN RESOURCES: 46,197

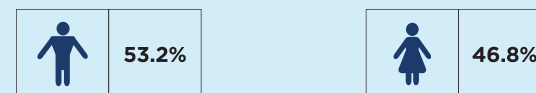
EMPLOYEES (MANAGERIAL AND NON MANAGERIAL) BY COMPETENCIES



EMPLOYEES (MANAGERIAL AND NON MANAGERIAL) BY AGE





EMPLOYEES BY SEX



HOW STABLE EMPLOYMENT IN THE INSURANCE INDUSTRY IS COMPARED TO OTHER SECTORS OF THE LABOUR MARKET

PERCENTAGE OF OPEN-ENDED CONTRACTS

	ECONOMIC SECTORS	
40.7%	AGRICULTURE, FORESTRY, FISHERY	22.3%
85.6%	INDUSTRIES OF WHICH:	85.0%
87.1%	THE INDUSTRIAL SECTOR	84.7%
80.0%	BUILDING CONSTRUCTIONS	89.4%
84.6%	SERVICES OF WHICH:	83.1%
77.3%	TRADE, HOTELS AND RESTAURANTS	73.6%
87.5%	OTHER SERVICES	85.8%
97.9%	OF WHICH THE INSURANCE SECTOR	97.8%
83.5%	TOTAL SECTORS	82.4%

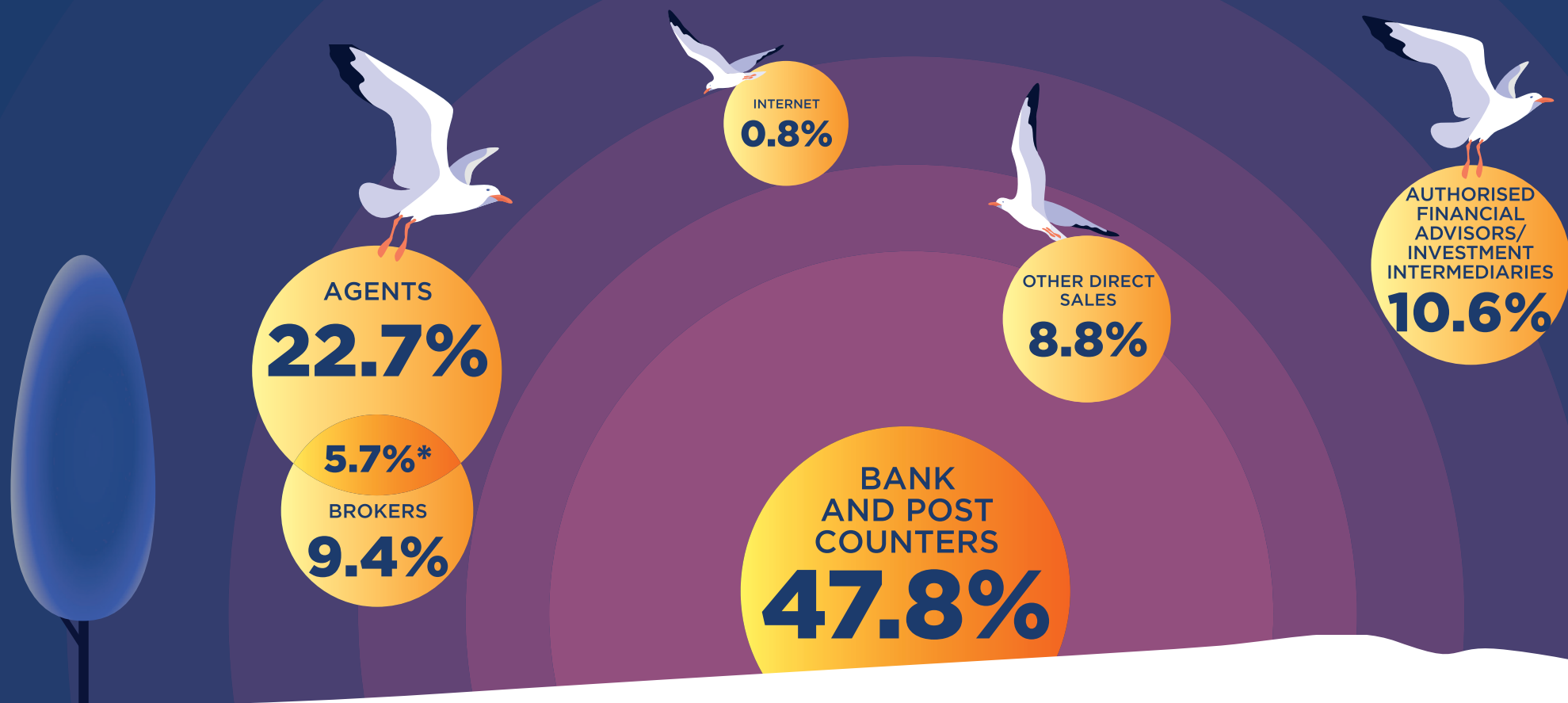
HISTORICAL EVOLUTION OF EMPLOYEES IN THE INSURANCE SECTOR



12 HOW CUSTOMERS PURCHASE AN INSURANCE COVER

An insurance policy can be purchased in many different ways. **For almost no other product or service are there so many offers to bring the customer into contact with the potential insurance cover provider.** Each category of distributor has peculiar characteristics aimed at offering and explaining the types of guarantees to its consumers, thus putting them in a position to choose the covers that are most appropriate and convenient for them.

% BREAKDOWN OF LIFE AND NON LIFE PREMIUMS PER DISTRIBUTION CHANNEL



* Premiums generated by Brokers but presented to agents

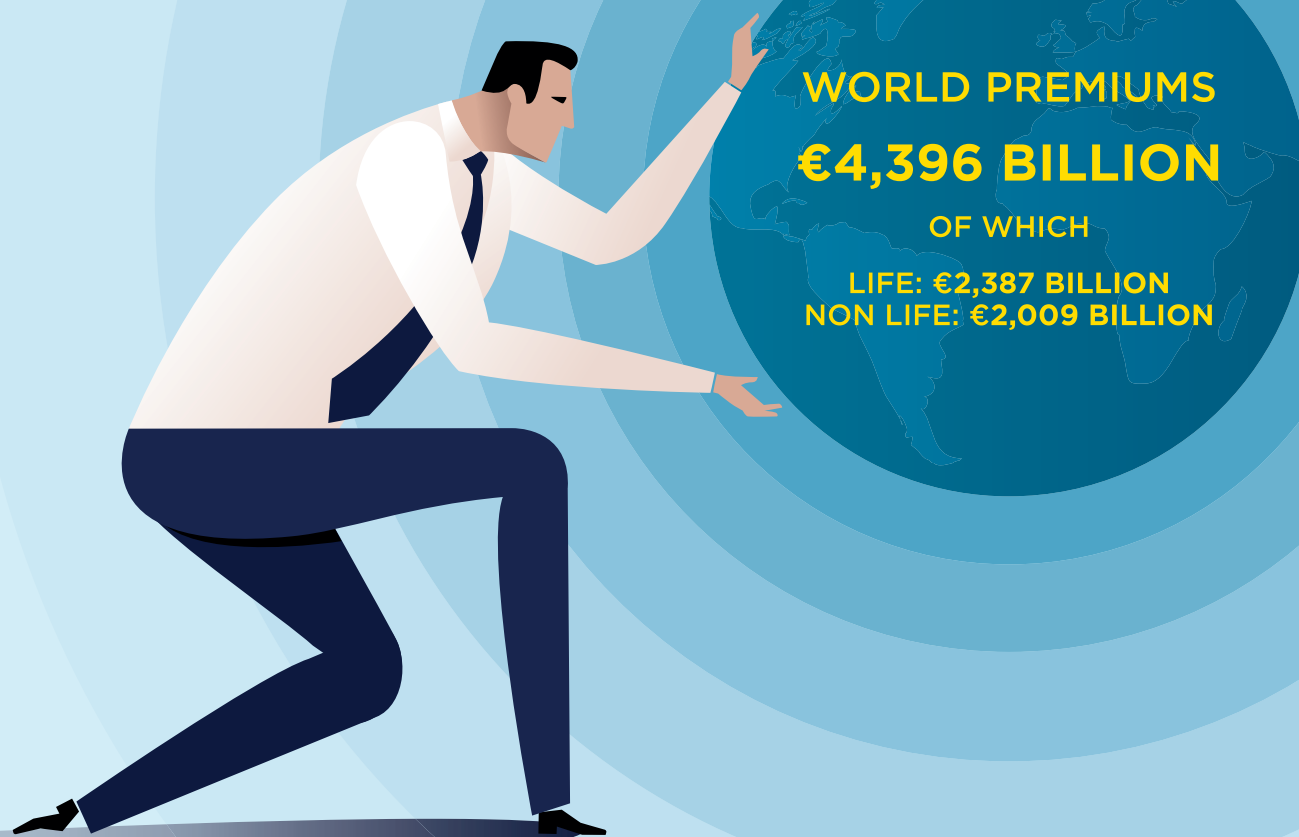
BREAKDOWN % OF PREMIUMS PER DISTRIBUTION CHANNEL IN THE MAIN SECTORS OF INSURANCE ACTIVITY



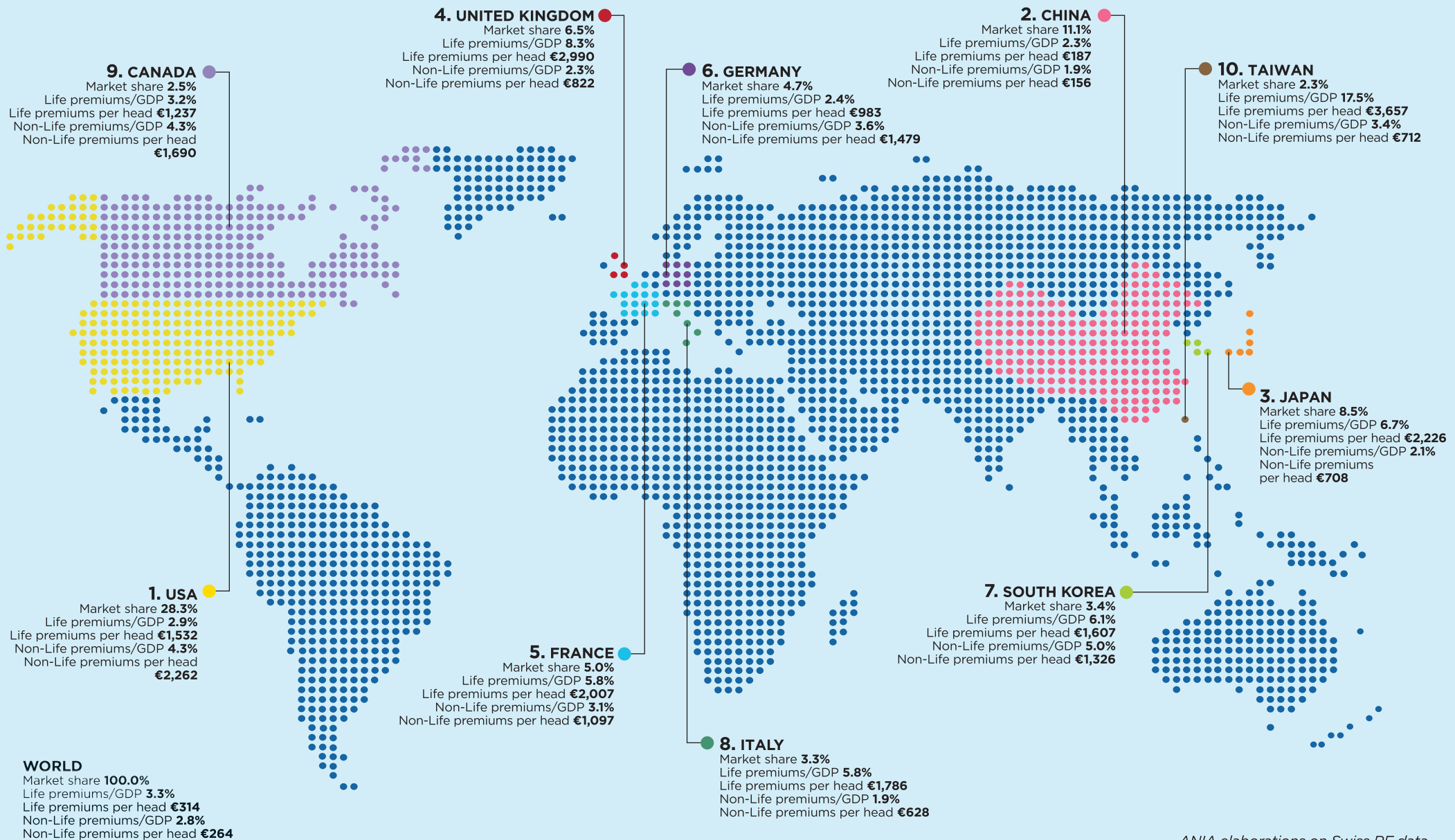
The percentage shares of brokers have been revised and estimated on the basis of premium volume actually collected through this channel but conveyed through agents

13 INSURANCE WORLDWIDE

The Italian insurance market ranks fourth in Europe and eighth in the world for **premium** collection. In 2018 the total Italian insurance business turnover was equal to **over 135 billion** (33 billion in non-life and 102 billion in life classes), with an incidence of **7.7% on the domestic GDP**.



THE WORLD'S FIRST 10 COUNTRIES PER PREMIUM COLLECTION 13



ANIA elaborations on Swiss RE data

14 LETTER OF THE PRESIDENT

Now at its second edition, this year's publication "Allont**Aniamo** i rischi, rim**Aniamo** protetti" preserves the spirit that inspired its creation in 2018: to highlight, through information and data, the fundamental role that insurance plays in fostering economic growth and the cohesion of the social fabric of our country.

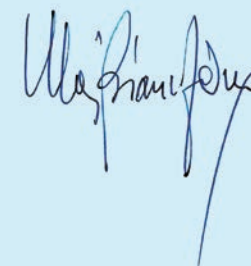
Our sector is particularly solid and it is the only one able to constantly meet a dual demand: offering protection from adverse events to households and business activities and managing a considerable portion of their savings.

This year we decided to enrich our analysis by fitting the Italian reality into the European context. Lights and shadows emerged from the comparison with our counterparts. It is confirmed that Italians, even in these times of strong uncertainty, continue to trust our sector as a reliable vehicle for investing their savings. Indeed, Italy remains at the top of the list of advanced economies in terms of share of the wealth held by Italian families and invested in life insurance policies.

On the other hand, our country is among those that show the widest insurance gap, especially when it comes to protect wealth, properties and health. This is of great concern to me, mostly because the problem of underinsurance is proving to be more pronounced for those emerging risks that are bound to change the deep structure of our welfare system. Greater life expectancy, growing work discontinuity, increasing pressure on Government budget will keep new generations from meeting their needs as previous generations have had the chance to do. Insurance companies are ready to take up the challenge to bridge this gap. They are already doing so by offering individual and group solutions to cover, for example, long term care risk. The insurance industry is open to more, far reaching, overarching endeavors, envisaging forms of cooperation with the public sector, to protect, for example, households from the risks connected to natural disasters.

It is my belief and hope that these pages, in addition to providing a detailed presentation of our activity, will contribute to set the basis for a constructive dialogue in our country to address these increasingly important issues.

Maria Bianca Farina
Ania President





Ania

Associazione Nazionale
fra le Imprese Assicuratrici

Via di San Nicola da Tolentino, 72
00187 Roma
T +39 06 326881

Attuariato, Statistiche e Analisi Banche Dati
studistatistici@ania.it - www.ania.it